

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1698-01  
Bill No.: HB 579  
Subject: Business and Commerce; Economic Development Dept.; Licenses – Professional+  
Type: Original  
Date: April 7, 2003

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
General Revenue	\$0	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
Barbers	\$0	\$2,250	\$500
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$2,250</b>	<b>\$500</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from the **Department of Economic Development, Division of Professional Registration** (DPR) assume this proposal would allow the creation of barber apprentice and barber apprentice supervisor license programs. The State Board of Barber Examiners estimates that there will be approximately 50 apprentice applicants and 35 apprentice supervisor applicants. It is estimated that a \$10 fee will be charged to the apprentice and a \$50 fee charged to the supervisor. It is assumed that all costs can be covered by the board's current appropriation.

**Oversight** assumes there will be approximately 35 apprentice supervisor applications and 50 apprentice applications in FY 2005 when regulations for the apprenticeship program would become effective. Oversight also assumes there would be a minimal number of apprentice supervisor applicants in FY 2006 after the initial biennial registration, followed by approximately 35 new and renewal apprentice supervisor applications in FY 2007. Oversight assumes apprentice applications would be relatively the same each year, and that fees would remain unchanged through FY 2006.

ASSUMPTION (continued)

In response to a similar proposal, officials from the **Secretary of State's Office** (SOS) assume this proposal would authorize the Department of Economic Development to establish rules to administer this registration and licensure, and to establish fees. These rules would be published in both the Missouri Register and the Code of State Regulations. These rules could require as many as 16 pages in the Code of State Regulations and half again as many pages in the Missouri Register because cost statements, fiscal notes and the like are not repeated in the Code. SOS estimates the cost of a page in the Missouri Register and the Code of State Regulations to be \$23 and \$27, respectively. SOS estimates costs of \$984 for FY 2004 ((16x\$27)+(24x\$23)=\$984). SOS states the impact of this proposal in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple proposals pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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**BARBER FUND**

Income – DPR

Revenue from Licensure Fees			
Apprentices (50 each year)	\$0	\$500	\$500
Supervisors (35 biennially)	<u>\$0</u>	<u>\$1,750</u>	<u>\$0</u>
Total	<u>\$0</u>	<u>\$2,250</u>	<u>\$500</u>

<b>ESTIMATED NET EFFECT ON BARBER FUND</b>	<b><u>\$0</u></b>	<b><u>\$2,250</u></b>	<b><u>\$500</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could impact existing small businesses operating barber shops and barber schools, and would authorize the creation of barber apprenticeship businesses.

#### DESCRIPTION

This proposal would revise the barber license application process. A barber apprentice program would be created, with specifications for barber apprentices and for barber apprentice supervisors.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

#### SOURCES OF INFORMATION

Department of Economic Development  
Division of Professional Registration

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
April 7, 2003